IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TENNESSEE
AT KNOXVILLE

PAMELA C. PHIBBS,	)	
Plaintiff,	)	
VS	)	NO. 3:16-CV-00156 (Phillips/Guyton)
REVENUE RECOVERY CORPORATION and BUFFALOE & VALLEJO, PLC.	)	
Defendants.	)	

* * * * * * * * * *

DEPOSITION OF PAMELA C. PHIBBS

O'BRIEN COURT REPORTING SERVICE
P. O. Box 5181
Knoxville, Tennessee 37928
(865) 687-9311

EXHIBIT
A

Q And I'm sorry, did you say "Springvale," v-a-l-e?
A Uh-huh, yes.
Q Okay. How long have you resided at that address?
A Since January 20th, approximately, 2011.
Q Okay. Does anyone reside with you at that address?
A My daughter did at one time, and now she is getting ready to get married and she has moved out.
Q Congratulations -
A Thank you.
Q - on multiple fronts. And I'll ask you a little bit about your family here in a minute. Where did you reside prior to 7200 Springvale Lane?
A 2644 Knob Creek Lane; Knoxville, Tennessee, 37912.
Q Okay. And how long did you reside there, what time period?
A I purchased that October of 2005.
Q And did you live there up until shortly before moving into Springvale Lane?
A Yes.
Q In the last ten years have you resided at any other addresses, other than those two?
A No.
Q Is Clevenger your maiden name?
A Yes.

A The worst ever in history.

Q How long, just in terms of that industry in Knox County, has it come back? I mean you're back in it. Is it back to where it was?

A About last year.

Q 2016?

A Uh-huh.

Q Is that yes?

A I'm sorry, yes, 2016 because we went from a depression into a recession, and the factor of how many people lost their homes then.

Q And we're going to be looking at several things here a long the way. But there appeared to have been a number of credit lines and accounts that you've been dealing with since 2008. Is it fair to say you had a number of accounts in collection, pass due, and late in this 2008 to 2016 time period?

A Not necessarily, Mr. Lawhorn, because I paid my bills. And when it was the last straw, the last alternative that I had, that's when I filed bankruptcy.

Q Okay. And I'm talking about coming out of your bankruptcy now. So from 2008 to 2016, you were still in an industry that was struggling for people to make ends meet, for at least an eight year period?

A Yes.

Q And in looking at documents you've produced to me, it does appear in that - let's say that 2011 to 2015 time frame, you had a number of accounts that were either in collection, or pass due, or they were late payments

A It was Chase Mortgage was the first lienholder, and I applied for the Home Modification. It lowered my payment less than $20.00, and as the fact of the government reporting that the mortgage servicers put the homeowners out of their homes. The program did not work, or it was not set up affiliated to accommodate the consumers. Therefore, I lost my home.

Q And I'm sorry, who was the first lienholder that you said?

A Chase.

Q Chase, okay. Was it Chase that did the foreclosure, or was it Home Federal?

A It was Chase.

Q That's what I thought. Have you had, since 2008, any other foreclosures?

A I lost a home on Woodbine that was a rental home, but I cannot recall what date that was.

Q That was investment property?

A Uh-huh, yes.

Q Okay. Was that owned in your name?

A Yes.

Q Okay. Do you believe that was before of after the 2011 foreclosure?

A Oh, it was before.

Q Do think it was before or after the bankruptcy filing in March of 2008?

A It was before the bankruptcy, to the best of my knowledge.

Q That's fine. Since the bankruptcy have you had any property repossessed?

A My vehicle was repossessed.

Q When was that?

A I'm not certain on that date. However, I was able to recover and get the vehicle back within 30 days or less.

Q Who was the lienholder?

A Wells Fargo.

Q Okay. Any other repossessions, other than that one?

A No, sir.

Q Okay.

A Well, not to the best of my knowledge. If I go back to 2008, when the economy plummeted, I did lose my Trailblazer.

Q Who was the lienholder on that?

A I do not know at this time.

Q Okay. Do you know if that was a local bank?

A I cannot say certain at this time, but more than likely, yes, it was.

Q Since 2008 have you - are you aware of any tax liens filed with respect to you?

A Yes.

Q What kind of tax lien?

A Tax lien with the IRS.

Q Do you - well, let me do this. It might be easier. Let's mark this as the first exhibit. I guess we're withdrawing the late filed exhibit since we're not going to do that.

THE REPORTER: So start this as Exhibit-1 then?

MR. LAWHORN: Yes. If you guys need to look at that, we can slide it down.

THEREUPON, THE FEDERAL TAX LIEN OF 3/12/09 WAS FILED AS EXHIBIT-1.

Q Ms. Phibbs, I know they're taking a minute to look at that document, and I know it will come back to you. My question is going to be we've marked as Exhibit-1 a document -

A Yes.

Q - which I understand to be a Notice of Federal Tax Lien filed in the Register of Deeds for Knox County. Is that the tax lien you're referring to when you answered my question a minute ago?

A Yes.

Q Okay. Are you aware of any other tax liens filed with respect to you?

A I am not aware of any.

Q Okay. Now, this is dated March 12, 2009, and the amount at that time was $28,385.57. Have you satisfied that tax lien?

A Yes, sir, I have, and it's been removed from my credit report. And I was not at fault, I did not owe them. It was due to Eric Youngquist, my ex-husband.

Q Okay. And when was this tax lien satisfied and removed?

A It was removed in February of 2017. It was completed with the IRS and accepted December of 2016.

Q Okay.

A And therefore I owe the IRS nothing. Eric Youngquist still owes them money.

Q Okay. But this was on your credit until you were able to get that fixed, it sounds like?

A Until I was able to show them that I did not owe the money.

Q Okay. And that was, sounds like, in late 2016, early 2017?

A That is correct.

Q Okay.

MR. LEE: Do you need a break? It's been about an hour.

A Yeah.

MR. LAWHORN: Can we go about - let me finish this line of inquiry and I'll be a good breaking point.

MR. LEE: All right.

Q Are there any judgments - well, let me ask it this way. Since the bankruptcy -

A Yes, sir.

Q - up to the present, are you aware of any judgments entered against you?

A Since the bankruptcy?

Q Yes, ma'am.
A Since March of 2008 any judgments? Yes.
Q How many?
A One.
Q All right.
A And that has been taken care of.
Q Well, let's start with what it is, and then -
A Okay.
Q We're going to get to that.
A Okay. Regional Finance.
Q And what is Regional Finance?
A It's a lending institution.
Q Okay.
A It's a finance company.
Q Okay. Was that the originator of a debt, or was that a purchaser of the debt that got -
A Originator of the debt.
Q What was the debt?
A To the best of my ability for car repairs is right now the best of what I can remember.
Q Do you remember what the judgment amount was?
A Approximately $2,800, and it may have added fees on top of that, and it may have gone to as high as $3,000, lower $3,000.
Q I'll just put approximately $2,800 to $3,000.
A Yes, sir.

Q Was that in Knox County General Sessions?

A Yes.

Q Okay. And do you recall when that judgment was entered, approximately?

A If I'm recalling correctly, 2013.

Q And then you said it's off your record now, I think is what you said?

A It has been satisfied, yes.

Q Okay. And, now, when you say "satisfied," so was it paid?

A It was paid.

Q Okay. When was it paid?

A 2015, I do not recall what month.

Q Okay. There was a period, and it appeared to me starting around October 2015, you got real serious about cleaning your credit report up. And from that point up to late February you made a real hard effort to start disputing debts and then taking care of a lot of that. Was this paid in that time period, you think?

MR. LEE: I'm going to object to the form of the question.

A I started -

MR. LEE: I'm not sure that we've clarified -

A The question?

MR. LEE: Right.

MR. LAWHORN: Are you instructing her not to answer?

MR. LEE: I don't think I understand it, so I want to make sure she understands it.

Q Okay. Do you understand the question? Here's what I'm trying to figure out. You said you believe the judgment was satisfied in 2015. I like to try to give people some time triggers to help narrow down when maybe something happened. So that's the reason I brought up it appeared from my review of all the documents you furnished -

A Yes, sir.

Q - starting in the latter part of 2015 you started making a pretty hard effort to get your credit report dealt with, cleaned up. You started disputing a lot of debt. And, so, my question is do you think maybe, does that give you some point in time in 2015 from which you can relate the satisfaction of this judgment?

A I can just say that it was satisfied in 2015, that judgment.

Q Okay, that's fine. To your knowledge was a Notice of Satisfaction filed in the General Sessions Court?

A Yes.

Q Is that something you did yourself, or did you have somebody do for you? Did you have a lawyer assisting you in this process?

A No, I could not afford an attorney.

Q Okay. Any other judgments that you're aware of since the bankruptcy in 2008?

A Not that I'm aware of, no.

A - I understand the question.

Q And that's fine, you need to make sure you understand the question. Was it your understanding as a result of the bankruptcy discharge, that you didn't owe - your past debt to Home Federal had been erased, you didn't owe it? Was that your understanding?

A I don't remember.

Q Okay. So my next question is. It sounds like you did continue making payments to Home Federal through sometime in, I think you said, 2010 in your interrogatory answers. Is that correct?

A Yes.

Q Okay. Why did you continue making payments after the bankruptcy discharge on the Home Federal loan?

A My bankruptcy attorney -

Q Okay.

A - advised that.

Q And I'm not entitled to ask you what your bankruptcy attorney advised you. As you sit here today in 2017, is it now your understanding that the discharge entered in 2008, I guess July of 2008, discharged the prior deficiency you had owed Home Federal up to the filing of the bankruptcy?

A Repeat that please. That's a lot.

Q As you sit here today -

A Yes, sir.

Q - on March 1, 2017 -

A Uh-huh.

Q - is it your understanding today that the Discharge entered by the Bankruptcy Court in July of 2008, discharged your obligation to paying Home Federal for the deficiency up to the time of the bankruptcy?

MR. SNYDER: I'm going to object in that it calls for a legal conclusion, but she can answer.

Q And, ma'am, I'm not asking you for any legal answer. What do you understand? If you don't have any understanding, tell me you don't have any understanding. But as you sit here today what is your understanding of the effect of the bankruptcy discharge on the Home Federal debt? I'm just asking what you understand.

A That the debt was not reaffirmed.

Q Okay. You state in your interrogatory answers - do you remember signing those questions, the interrogatories?

A Yes.

Q Okay. You state in response to Interrogatory11 that you continued making payments on the Home Federal loan into 2010, but that you then had to stop making those payments due to financial difficulties. Do you remember that?

A Yes.

Q What were those financial difficulties that arose in 2010 that made you stop making payments on the loan?

A My income.

Q Okay, and what specifically happened to your income then?

A The housing market.

Q Well, and we've talked generally about your income.

from Revenue Recovery Corporation?

A Yes, May 15th, 2015.

Q Was that a letter as well?

A Yes.

Q Okay. Let me ask you this, just so we can hopefully take care of this. Have you had any telephonic or any other verbal communications with representatives of Revenue Recovery Corporation about the Home Federal debt, or was it just these two letters?

A Repeat that.

Q Well, let me do this. Let's go ahead and mark this as Exhibit-3. It's May of 2015 letter.

A Okay

THEREUPON, THE REVENUE RECOVERY CORPORATION LETTER DATED 5/1615 WAS FILED AS EXHIBIT-3.

Q Ms. Phibbs, we've marked as Exhibit-3 a document I understand to be a letter from Revenue Recovery Corporation dated May 16, 2015, to Pamela Phibbs. Is this the letter you recall receiving in 2015 you just told me about?

A Yes.

Q Okay. So we have a letter in 2011, which we marked as Exhibit-2. Then we have another letter you acknowledge receiving in May of 2015, which we marked as Exhibit-3. Any other written communications from Revenue Recovery Corporation, other than these two letters, that you recall receiving?

A Nothing else.

Q Okay. Now, conversations, have you ever had any telephone conversations with anyone from Revenue Recovery Corporation relating to the Home Federal debt?

A Them call me or me calling them?

Q Either?

A I called them when I received this in 2011, and instructed them to contact my attorney under the bankruptcy, and when it was filed and discharged.

Q Okay. So in 2011, when you received the letter we've marked as Exhibit-2 here -

A Yes.

Q - that prompted you to call the phone number listed on the letter?

A Yes.

Q And then you mentioned to them at that time, "Hey, this was in bankruptcy. It was taken care of," or some words to that effect?

A Yes.

Q And what were you told?

A They would follow up.

Q Okay.

A Because I specifically gave them my bankruptcy attorney's name and phone number.

Q Did you ever - I take it you didn't hear back?

A No.

to produce that. So if you have that, I suggest you locate it and get it to your Counsel. Okay?

A Okay.

Q Right now I have no documents produced to me indicating that was sent. So did you ever follow up with your legal Counsel, your bankruptcy legal Counsel?

A Yes.

Q Okay. Did you ever receive any communication from them? And I'm not asking you to disclose what they said. But did they ever communicate back with you on this subject?

A I don't remember.

Q All right. This call that you made in 2011 back to Revenue Recovery Corporation, was it in about the same time frame as the letter was dated?

A Yes.

Q Did you make any notes of that conversation when you had it?

A I don't remember.

Q When you are speaking with people on the phone about credit issues, do you tend to make notes?

A Yes, and I when I made that call in March of 2011, I don't recall if I got - if I made the notes, other than I called, advised and gave them John Newton, my attorney's, information. That validated it.

Q Okay. But you wouldn't have made a note, "Spoke with Jane, or spoke with Bill this date, said this?"

A I don't remember.

Q Okay. You do acknowledge, however, on some documents you've produced, where you're dealing with other accounts, you would make a lot of notes on these documents about people you spoke with, telephone numbers, and when you called them; correct?

A Correct, yes.

Q Now, in terms of this debt with Home Federal, did you ever hear from anyone else, other than Revenue Recovery Corporation? And let me be specific, Buffaloe & Associates, did you ever receive any -

A Yes.

Q - letters -

A Yes.

Q - or communications from Buffaloe & Associates?

A Not until I was served by a process server.

Q Okay. So the first notice you got at all -

A December the 23rd, of 2015.

Q And that was the lawsuit?

A Correct.

Q Okay.

A And I picked up the phone and called my attorney, and he wrote a letter on January 29th, 2016 to send out.

Q Now, when you say "your attorney," your attorney at that time still -

A John Newton.

Q - was John Newton?

A Yes.

Q Okay. And did that letter take care of the issue at that point, as far as the lawsuit goes?

A To the best of my knowledge, yes.

Q Okay. So, basically, if I understand the chronology, you got served with the lawsuit. You contacted your bankruptcy attorney, John Newton. He writes a letter and shortly after writing the letter the lawsuit is dismissed?

A Correct, yes.

MR. LAWHORN: I'll show her my responses. I was going to refer to some interrogatory answers. If you have those handy, it might help Ms. Phibbs. If you have both the Interrogatories and the Request for Production.

MR. LEE: You don't have a copy for her to look at?

Q May I show you this.

MR. LEE: He has to give her a copy and us a copy.

MR. SNYDER: Right.

MR. LEE: He has to, we don't have to provide her that.

MR. LAWHORN: Okay. Alan, I'm not marking these, okay. So you can find a copy or you can just listen to me.

MR. LEE: Well, if you look in the Order entered by all the judges, it says you're supposed to provide us with a copy. So we object to this for not being provided a copy.

Q I'm looking at your responses to Request for Production of Documents. And I'm going to let you look through these, if you'd like. I want to draw your attention specifically to Number 7. So I was just going to ask you, if your response to Number 7 clarifies whether you looked for a copy of any correspondence with Revenue Recovery Corporation?

A Say that question again, I'm sorry.

Q Remember when I asked you a few minutes ago if you looked for correspondence with Revenue Recovery Corporation?

A Yes.

Q Okay. Does your response to Number 7 refresh your memory that you probably looked and didn't find any?

A Yes.

Q Okay. I had forgotten about that. Looking back to exhibits 2 and 3, the two letters, when you received those how confident were you that "I don't owe this. This has got to be a mistake"?

A March 2011 that was exactly my thought.

Q Okay.

A And I just moved, you know, and I proceeded to contact them and told them to contact my bankruptcy attorney.

Q Did you have the same level of confidence when you received the letter in 2015?

A Yes.

Q When did you first learn that Revenue Recovery - and by the way, I've been saying Revenue Recovery Corporation. Can I say RRC?

A Please.

Q Okay. I think that would help us all.

A Yes.

Q Okay. When did you first learn that RRC was reporting the Home Federal account to the credit bureaus?

A November of 2015 I went to renew, redo my loan on my automobile. At that time I was informed on the Equifax, RRC with the tradeline on my credit bureau report.

Q Okay. Do you recall responding to the interrogatories?

A Yes.

Q Okay. And as I'm looking it appears that you executed those interrogatories on October 13, 2016.

A Yes.

Q Okay. And I take it you reviewed these responses prior to signing them and dating them?

A Yes.

Q And to the best of your knowledge were these accurate?

A Yes.

Q Did you review the interrogatories before - your interrogatory answers, before this deposition today?

A No.

Q What did you review before your deposition today?

A The lawsuit filed.

Q The actual lawsuit papers?

A The lawsuit papers filed.

Q When you signed these interrogatories back on October 13, 2016, you were satisfied at that time that these responses were full, complete, and accurate. Is that correct?

A Yes.

Q Did you ever communicate with anyone at Home Federal about the debt? We 've talked about RRC. We talked about Buffaloe.

A What time period?

Q After the foreclosure -

A No.

Q - to at anytime in the present?

A No.

Q Okay. At some point you started what I think is referred to as "the dispute process" with the credit bureaus regarding the RRC Home Federal account?

A Yes.

Q And when did you start that process?

A 2015; I cannot give you a specific month, but it was 2015.

Q All right. In your interrogatory responses, you indicate that - and I'll just read to you what you said. "Plaintiff disputed the account on several occasions with the credit reporting agencies. Most recently was disputes in January and February of 2016. Prior to those Plaintiff filed a

Q Okay. Why did you share the facts of all this with him?

A He's one of my best friends.

Q Okay. Laura Brown?

A Best friend.

Q Okay. You shared -

A Since 6th grade.

Q Okay. So you shared basically the whole dispute as raised in the lawsuit with Laura Brown?

A Yes.

Q Sabrina Dawdy, D-a-w-d-y; what did you discuss with Ms. Dawdy?

A The facts.

Q Okay. To the same extent as you did with Mr. Bushell and Ms. Brown?

A Yes.

Q Okay. And what did you convey to Amy Dabney; that's D-a-b-n-e-y?

A The facts.

Q To the same extent as you did with Mr. Bushell, and Ms. Brown, and Ms. Dawdy?

A Yes.

Q Teresa Haines; H-a-i-n-e-s; what did you share with Ms. Haines?

A The facts.

Q Okay. To the same extent as you did with Mr. Bushell, Ms. Brown, Ms. Dawdy, and Ms. Dabney?
A Yes.
Q David Clevenger, is that some relation to you?
A That's my brother.
Q Okay. What did you share with Mr. Clevenger?
A The facts.
Q Okay. The same extent as with these other folks?
A Yes.
Q You list a Kay Weaver; W-e-a-v-e-r. What did you share with Ms. Weaver?
A The facts.
Q Okay. And when you say "the facts," I mean was that everything discussed in the lawsuit, you would have shared with Ms. Weaver to the same extent as these others?
A Yes.
Q Who is Ms. Weaver? Is that family, is that a friend?
A My sister.
MR. LAWHORN: Let's just do this. Let's go off the record at 2:59 and see if the storm passes.
THEREUPON, A SHORT RECESS WAS TAKEN.
MR. LAWHORN: All right. We're back on at 3:02.
Q Ms. Phibbs, I was asking about Kay Weaver. You said - I'm sorry, you said she was some relation to you.
A My sister.

some type of service. Would that have been cell service with AT&T?
A It was for my iPad.
Q Okay. Now, were you denied credit, or did they require, say, a deposit where they said, "We impose certain conditions or restrictions on your service?" Help me understand what's going on here.
A I had to pay a $500.00 deposit.
Q Okay. So were you able to establish the service?
A Yes.
Q And did you, in fact, establish the service?
A Yes.
Q So you weren't denied credit here. They just imposed a requirement of a $500.00 deposit to get the service established?
A Yes.
Q And are you claiming that RRC's reporting of the Home Federal account was the sole cause of you having to pay this $500.00 deposit?
A No.
Q You would agree there were other factors going on with your credit report at this time that combined together would have caused this?
A Yes.
Q Do you know what your credit score was in September of 2012?
A No.
Q Are you one of those folks who periodically will

you applied for at this time?

A Oh, it had to be something with TJX Rewards. It was through G.E. Capital, but I cannot tell you if it was a credit card or if it was a special promotion, or what.

Q Okay. There's some writing at the top; "TD due to credit."

A Uh-huh.

Q Is that your handwriting?

A Yes, it is.

Q Is "TD" -

A Turned down.

Q Okay. So you wrote on this "turned down due to credit"?

A Uh-huh.

Q Is that a yes?

A Yes, I'm sorry.

Q That's okay, you're doing very well. So you acknowledge this letter is a denial of credit letter?

A Yes.

Q All right. And that's why you produced it to me? I just want to make sure I understand that.

A Yes.

Q And is it your belief, or your claim in this lawsuit, that this denial of credit is attributable solely to RRC's conduct of reporting the Home Federal account?

MR. LEE: Well, you're the one that didn't comply with the Court's Order.
MR. LAWHORN: I'm telling you -
MR. LEE: I'm just stating an objection on the record.
MR. LAWHORN: That's fine.
MR. LEE: As far as introducing them -
MR. LAWHORN: I'm telling you, we can adjourn. I'll go make copies of everything, or we can make copies now, or we can come back, if you'd like.
MR. LEE: Okay. Let me go talk to my client. Let's take a break off the record and ask what she wants to do.
MR. LAWHORN: Okay.
THEREUPON, A SHORT RECESS WAS TAKEN.
MR. LAWHORN: What you got?
MR. LEE: Well, we got our objection off the record. My client is okay with proceeding. So I guess will go on.
MR. LAWHORN: Well, okay, Alan, you're making an objection. What I'm telling you is I will make you copies, if you want copies, and we'll come back. I want the record to reflect I am providing these copies to you all and you can look at them. They're documents you've provided to me. I don't mean anything by it, Alan. I want to get the deposition

A Yes.

Q All right. Now, this Exhibit-7, this letter from U.S. Cellular, it tells you that the reason for requiring a deposit was "Information contained in your credit file." Do you see that?

A Yes.

Q Okay. It doesn't say specifically what. That's all it says, right?

A Right, yes.

MR. LAWHORN: I will be more than happy to go back and make copies of anything we've marked and get it to you, first thing. Let's go ahead and mark this as the next exhibit.

THEREUPON, THE CREDIT FIRST NATIONAL ASSOCIATION LETTER DATED 3/27/15 WAS FILED AS EXHIBIT-8

Q All right. Ms. Phibbs, we've placed before you a document we've marked as Exhibit-8. And this was a document, I believe you produced to me. Is that your understanding?

A Yes.

Q It appears to be a letter from Credit First National Association dated March 27, 2015 to you. Then there's handwriting at the top; "TD due to credit report." That's your handwriting indicating, I believe you told me, turned down due to credit report."

A Yes.

Q Okay. What were you applying for at this time? It

A Okay.
Q We can look at it together. You allege that Plaintiff has suffered and continues to suffer actual damages, including without limitation, out of pocket expenses, annoyance, aggravation, inconvenience, humiliation, embarrassment, and emotional distress.
A Yes.
Q Okay. As far as out of pocket expenses, what are you claiming you incurred out of pocket because of the RRC reporting of the Home Federal credit line?
A Sending documents to the credit bureaus by mail.
Q So postage, is that what you're referring to?
A Yes.
Q Okay.
A Let me look at that again.
Q Okay. And for the record, you're looking at the Complaint, is that correct?
A Yes.
Q Okay. Any other out of pocket expenses you're claiming as damages?
A Mileage and gas.
Q Now, where did you have to drive?
A Post Office, U.S. Cellular.
Q When you said you had to drive to U.S. Cellular, what was that for?
A To discuss the loan that I received.

Q In 2014?

A Yes.

Q Okay. How far would you estimate your drive round trip was to the nearest U.S. Cellular office?

A 20, 24 miles round trip.

Q Okay. So we have postage and we have some mileage to U.S. Cellular, maybe 24 miles. Anything else?

A Not that I recall at this time.

Q All right. What are you claiming in terms of annoyance, aggravation and inconvenience?

A This continuing to come up on my report.

Q All right. Are you claiming that you would not have experienced these credit denials that we just went through but for this single credit line being reported on your credit report?

A Repeat that question. I didn't understand it.

Q Are you claiming that you would hot have experienced any of these problems with you being denied credit, or any problems with you being denied additional credit -

A That's two - we're getting into two parts questions now.

Q Okay. Well, let me get at this way. Are you claiming that you would not have experienced any annoyance, any aggravation, any inconvenience with respect to your credit report, or applications for credit if RRC had not reported the Home Federal debt on your credit report?

A Mr. Lawhorn, I'm sorry, I'm still not understanding your question. I'm sorry.

Q As I understand it, you're alleging that you experienced annoyance, aggravation and inconvenience in having to deal with the problems with your credit report due to RRC reporting the Home Federal debt on your credit report.

A Correct, yes.

Q My question for you is do you believe that you would not have had any of that annoyance, aggravation or inconvenience had that one item not been on your credit report?

A Yes.

Q You really believe that?

A Yes.

Q You don't believe any of the other problems listed on your credit report would have caused any of these problems?

A No.

Q Despite what all those letters told you, you don't believe that?

MR. LEE: Objection, question has been asked several times and answered.

Q What embarrassment and humiliation are you claiming?

A Almost not getting a job at Grayson with the manager, which we had to go sit down and discuss.

Q But you got the job, correct, with Grayson?

A Yes.

Q Okay. Are you claiming any other jobs you didn't get because of your credit report?

A Well, I couldn't apply for other jobs due to my credit report.

Q Which jobs did you not apply for because of your credit report?

A I can't recall right now at this time.

Q But you've not made that claim in your lawsuit.

A Right.

Q So are you going to make that claim?

A It prevented me because if an employer looked to find your credit, that was a big thing with RRC -

Q Uh-huh.

A - reporting $35,878.00.

Q But you can't tell me any jobs you decided not to apply for because of that?

A Yes, but I can't recall at this time, Mr. Lawhorn, because they showed that opened in March of 2011 on my credit report, RRC.

Q My question is what - did you make a conscious decision not to apply anywhere because of your credit report?

A Yes.

Q Where?

A I can't recall right now at this time exactly where.

Q Was it because -

A Well, one would - well, a mortgage company.

EXHIBIT

2

612 South Gay Street
P O Box 2698
Knoxville, TN 37901-2698
* PERSONAL AND CONFIDENTIAL *

When calling our office, please refer to account number 01-110740684.

0001384 223 24526939 0005

01-110740684
Pamela Nadine Clevenger
PO Box 12602
Knoxville, TN 37912-0602

Revenue Recovery Corporation
Phone (865) 971-3820
or (800) 221-5071
March 16, 2011

This is an attempt to collect a debt. Any information obtained will be used for that purpose.

This communication is from a debt collector.

Regarding your account with:
HOME FEDERAL BANK OF TENNESSEE

Client Acct #:	For:	Balance	Date
008001012113	REAL ESTATE, CONSUMER	35,878.91	02/01/11

Total amount due from all accounts placed this date 35,878.91

THE ABOVE ACCOUNT HAS BEEN LISTED WITH THIS OFFICE FOR COLLECTION.

Our client has referred your account to our professional debt collection agency for collection. Please remit payment in full in the enclosed envelope. If you wish to arrange payment by CREDIT CARD or BANK DRAFT please contact our office at the telephone number listed above.
If you cannot pay the entire amount, please contact our office and we will see what other options, if any, you may have. We understand your situation and will work with you. Visit www.rrcinc.com to pay securely on-line.

If paid in full to this office, all collection activity will be stopped Unless you notify this office within 30 days after receiving this notice that you dispute the validity of the debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice, this office will: obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

01-110740684 08 08 1L

This collection agency is licensed by the Collection Service Board of the Department of Commerce & Insurance.

A $30.00 service charge will be added on returned checks.

North Carolina Department of Insurance Permit #4523

March 16, 2011

Total due 35,878.91

Pamela Nadine Clevenger
2644 Knob Creek Ln
Knoxville, TN 37912
Email:_______________

Revenue Recovery Corporation (1)
P O Box 2698
Knoxville, TN 37901-2698

PLEASE ENCLOSE THIS PORTION WITH YOUR PAYMENT
SEE REVERSE SIDE FOR INSURANCE INFORMATION